

1 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
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2 Including Professional Corporations
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5 E mails: okatz@sheppardmullin.com

6 Attorney for Creditor

7 UNITED STATES BANKRUPTCY COURT
8 NORTHERN DISTRICT OF CALIFORNIA
9 SAN FRANCISCO DIVISION

10
11 In re

Bankr. Case No.: 19-30088 (DM)

12 PG&E CORPORATION,

Chapter 11
(Lead Case)
(Jointly Administered)

13 and

14 PACIFIC GAS AND ELECTRIC
COMPANY.

**DECLARATION OF ORI KATZ IN
SUPPORT OF MOTION FOR LEAVE
TO FILE AMENDED PROOF OF
CLAIM BY THE ORIGINAL
MOWBRAY'S TREE SERVICE, INC.**

15
16 Debtors,

- 17 ☒ Affects PG&E Corporation
18 ☐ Affects Pacific Gas and Electric Company
☐ Affects both Debtors

19 ** All papers shall be filed in the Lead Case,
No. 19-30088 (DM)*

Date: December 15, 2020
Time: 10:00 a.m.
Judge: Hon. Dennis Montali
Place: United States Bankruptcy Court
Courtroom 17,
450 Golden Gate Ave., 16th Floor
San Francisco, CA

1 I, Ori Katz, declare as follows:

2 1. I am an attorney licensed to practice law in the State of California and am admitted
3 before this Court. I am a partner with the law firm of Sheppard, Mullin, Richter & Hampton LLP
4 (“Sheppard Mullin”) counsel to The Original Mowbray’s Tree Service, Inc. in its capacity as a
5 creditor in the above-captioned bankruptcy cases. I make this declaration in that capacity. Except
6 for those statements made upon information and belief, I believe them to be true.

7 2. This declaration is submitted in support of the “Motion for Leave to File Amended
8 Proof of Claim by The Original Mowbray’s Tree Service, Inc.” (the “Motion”). Capitalized terms
9 which appear in this declaration are used in the manner in which they are defined in the Motion.

10 3. By way of the Motion, Mowbray’s seeks leave to file the Proof of Claim, a copy of
11 which is attached to the Motion, to amend prior informal proofs of claim timely made to
12 representatives of the Debtors’ bankruptcy estate.

13 4. Attached hereto as Exhibit “A” is a true and correct copy of an email exchange
14 between me and Tobias Keller, counsel to PG&E Corporation and Pacific Gas and Electric
15 Company (collectively, “Debtors”), in which I asserted Mowbray’s pre-petition claim of
16 \$10,217,881.90.

17 5. Attached hereto as Exhibit “B” is a true and correct copy of emails I received from
18 Denise Lorenzo of AlixPartners LLP on April 15 and 22, 2019, which stated that a portion of
19 Mowbray’s prepetition amounts outstanding had been reviewed and approved by the “Supplier
20 Management Committee.”

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6. Attached hereto as Exhibit "C" is a true and correct copy of an email I received from Mr. Keller which references over \$1 million in prepetition claims of Mowbray's and states that Debtors were in the process of addressing those claims either "re-entering into the system" or denoting such claims as "Validation in progress."

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 3rd day of November, 2020, at Burlingame, California.

/s/ Ori Katz
ORI KATZ

EXHIBIT A

**TO DECLARATION OF ORI KATZ IN SUPPORT OF
MOTION FOR LEAVE TO FILE AMENDED PROOF OF
CLAIM BY THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.; MEMORANDUM OF POINTS AND
AUTHORITIES**

From: [Ori Katz](#)
To: [Tobias Keller](#)
Subject: PG&E/Mowbray's - Urgent Request
Date: Friday, March 29, 2019 3:22:11 PM

Toby,

I am emailing to follow up on our discussion earlier this week. I represent The Original Mowbray's Tree Service, Inc. ("Mowbray's") in connection with the PG&E case. Mowbray's has a pre-petition claim of \$10,217,881.90. We are requesting payment of that amount under the order approving the debtor's operational integrity suppliers motion. As I mentioned to you on the phone the situation is serious and the main concern at this point is safety and preventing loss of life. I've provided details in the paragraphs that follow, and to the extent PG&E has questions and wishes to follow up directly with Mowbray's there is a dedicated contact available at any time to answer questions. The contact's info follows, he is aware he may be contacted, and he will prioritize a call from PG&E: Alan Phang, phone: 909-[REDACTED], email: alan@mowbrays.com.

I understand that both Kamran Rasheed and David Greenberg at PG&E are very familiar with the Mowbray's relationship and may be helpful to PG&E in assessing the situation. For your ease of reference and to facilitate the ability of PG&E to run this matter down quickly, I've included contact information for both of them below:

-K [REDACTED] R [REDACTED], phone: 831-[REDACTED], email: [REDACTED]

-D [REDACTED] G [REDACTED], phone: 415-[REDACTED], email: [REDACTED]

To help guide PG&E in its evaluation of this situation, I offer the following summary of Mowbray's background and the crucial services it provides to PG&E:

Mowbray's is a full service utility tree service company with 700 full-time employees, plus approximately 300 subcontractor employees. They operate 250 bucket truck/chipper crews with many more climbing, felling, removal, and clean-up crews. Our tree services provide safe powerline corridors for public safety, especially from fires, and electricity reliability for business, industry, and the public especially in many critical needs situations. Simply put, the work we do protects the public and no doubt saves lives.

The ~\$10.2 million in pre-petition receivables with PG&E eviscerated almost all of Mowbray's operating capital. The company is strapped. Currently Mowbray's is working on two very important contracts. The first is a roaming routine trimming contract that enables PG&E to send us anywhere they need us to take care of aged or critical trimming needs. Mowbray's added between 75 to 100 crews before the bankruptcy and they never stood down in the weeks before the filing, even though the noise of a bankruptcy filing grew louder and louder, and Mowbray's financial situation continued to deteriorate. Mowbray's recognized the critical import of its work and soldiered on. We did this because our friends at PG&E asked us to stick with them as a partner, and we did. We also knew lives would be at stake if we did not step up.

Mowbray's dire financial situation has had a dangerous trickle down impact on the company.

Mowbray's inability to pay for work performed by subcontractors and all personnel has severely impacted the morale of the employees working in the field. While "morale" may not seem like a critical need, it has a big impact on the ability of the workers to fully engage in the job site and be productive. Mowbray's is concerned about potential adverse impacts on the safety culture we strive for on all of our projects, and in the crew structure that makes Mowbray's so efficient at what it does. Additionally, concerns over the long-term viability of employment on PG&E projects eventually causes employee migration to other contractors and utilities. Recruitment and retention of qualified personnel, specifically QCLA climbers, creates a safety concern for every crew and our safety culture. Mowbray's skilled labor force cannot simply be replaced. PG&E communicates 100% safety, as does Mowbray's. To stay on message and to execute we will need some help now from PG&E via payment of our pre-petition claim.

With so little operating capital at its disposal, lack of predictable payments has limited the ability to adequately address training gaps and concerns, specifically with new hire credential validation. The PG&E hardships have placed additional and unreasonable expectations on our front line supervisors, who have to manage continued questions from the crew members and the public community in an environment where everything is under a microscope.

In terms of timing, Mowbray's would have made this request sooner, but they did not retain bankruptcy counsel at the outset because they were approached by a claim trader promising liquidity. That promise turned out to be illusory and raised red flags, which in turn led to my retention by Mowbray's. There has been no assignment of the Mowbray's claim and we truly hope that with some help with PG&E in this crucial moment there will never be the need for a desperate measure like that.

We hope PG&E takes a moment to follow up (both internally and with Mowbray's) with the individuals identified above. We would very much like to see a reorganized and vibrant PG&E emerge from the current process. Mowbray's continuing role in safety and compliance on PG&E assets will be a part of that, but to ensure Mowbray's is there at the end of the day for PG&E, we need PG&E to be here now for Mowbray's.

We look forward to your response and stand ready to answer any questions or provide additional information.

Ori

Ori Katz | Partner
+1 415-774-3238 | direct
+1 415-517-6907 | mobile
OKatz@sheppardmullin.com | [Bio](#)

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EXHIBIT B

**TO DECLARATION OF ORI KATZ IN SUPPORT OF
MOTION FOR LEAVE TO FILE AMENDED PROOF OF
CLAIM BY THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.; MEMORANDUM OF POINTS AND
AUTHORITIES**

From: [Lorenzo, Denise](#)
To: [Ori Katz](#); [Tobias Keller](#)
Subject: RE: PG&E/Mowbray's - Urgent Request
Date: Monday, April 15, 2019 3:19:22 PM

The amount approved is a portion of the amount outstanding. Given the size of the key supplier base and the amount approved per the Operational Integrity Motion the company cannot make full payment.

Yes the company will follow up with Mowbray's business folks.

Denise Lorenzo

AlixPartners alixpartners.com M +1 (718) [REDACTED]

From: Ori Katz <OKatz@sheppardmullin.com>
Sent: Monday, April 15, 2019 6:16 PM
To: Lorenzo, Denise <dlorenzo@alixpartners.com>; Tobias Keller <tkeller@kellerbenvenutti.com>
Subject: RE: PG&E/Mowbray's - Urgent Request

Thank you Denise. I very much appreciate the follow up. I have two quick questions. First, is the approval in the full amount of the claim? Second, will someone from PG&E follow up directly with Mowbray's and, if so, what is the anticipated timing?

Ori

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From: Lorenzo, Denise <dlorenzo@alixpartners.com>
Sent: Monday, April 15, 2019 3:13 PM
To: Ori Katz <OKatz@sheppardmullin.com>; Tobias Keller <tkeller@kellerbenvenutti.com>
Subject: RE: PG&E/Mowbray's - Urgent Request

The prepetition payment request has been reviewed and approved by the Supplier Management

Committee.

Thank you

Denise Lorenzo

AlixPartners alixpartners.com M +1 (718) [REDACTED]

From: Ori Katz <OKatz@sheppardmullin.com>

Sent: Friday, April 12, 2019 12:20 PM

To: Lorenzo, Denise <dlorenzo@alixpartners.com>; Tobias Keller <tkeller@kellerbenvenutti.com>

Subject: RE: PG&E/Mowbray's - Urgent Request

Toby and Denise,

Good morning. I'm emailing just to check in before the weekend to see if there is any update here. Given the urgency re Mowbray's situation, any help would be greatly appreciated.

Ori

Ori Katz | Partner

+1 415-774-3238 | direct

+1 415-517-6907 | mobile

OKatz@sheppardmullin.com | [Bio](#)

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From: Lorenzo, Denise <dlorenzo@alixpartners.com>

Sent: Monday, April 8, 2019 3:46 PM

To: Ori Katz <OKatz@sheppardmullin.com>; Tobias Keller <tkeller@kellerbenvenutti.com>

Subject: RE: PG&E/Mowbray's - Urgent Request

Ori,

The company continues to review and evaluate all requests. I will let you know as soon as a decision is made.

Denise Lorenzo

AlixPartners alixpartners.com M +1 (718) [REDACTED]

From: Ori Katz <OKatz@sheppardmullin.com>

Sent: Monday, April 8, 2019 5:37 PM

To: Lorenzo, Denise <dlorenzo@alixpartners.com>; Tobias Keller <tkeller@kellerbenvenuti.com>

Subject: RE: PG&E/Mowbray's - Urgent Request

Toby and Denise,

Any word on a response for Mowbray? They are on me every day.

Ori

Ori Katz | Partner

+1 415-774-3238 | direct

+1 415-517-6907 | mobile

OKatz@sheppardmullin.com | [Bio](#)

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From: Lorenzo, Denise <dlorenzo@alixpartners.com>

Sent: Friday, March 29, 2019 3:35 PM

To: Tobias Keller <tkeller@kellerbenvenuti.com>; Ori Katz <OKatz@sheppardmullin.com>

Subject: RE: PG&E/Mowbray's - Urgent Request

I will follow up with the business folks at PG&E and will get back to you next week.

Thanks

Denise Lorenzo

AlixPartners alixpartners.com M +1 (718) [REDACTED]

From: Tobias Keller <tkeller@kellerbenvenuti.com>

Sent: Friday, March 29, 2019 6:24 PM

To: Ori Katz <OKatz@sheppardmullin.com>

Cc: Lorenzo, Denise <dlorenzo@alixpartners.com>

Subject: RE: PG&E/Mowbray's - Urgent Request

Thanks Ori. Running past the committee with this copy.

Back to you next week, I assume.

Tobias S. Keller, Esq.

Direct: (415) [REDACTED]

Email: tkeller@kellerbenvenutti.com

From: Ori Katz <OKatz@sheppardmullin.com>

Sent: Friday, March 29, 2019 3:22 PM

To: Tobias Keller <tkeller@kellerbenvenutti.com>

Subject: PG&E/Mowbray's - Urgent Request

Toby,

I am emailing to follow up on our discussion earlier this week. I represent The Original Mowbray's Tree Service, Inc. ("Mowbray's") in connection with the PG&E case. Mowbray's has a pre-petition claim of \$10,217,881.90. We are requesting payment of that amount under the order approving the debtor's operational integrity suppliers motion. As I mentioned to you on the phone the situation is serious and the main concern at this point is safety and preventing loss of life. I've provided details in the paragraphs that follow, and to the extent PG&E has questions and wishes to follow up directly with Mowbray's there is a dedicated contact available at any time to answer questions. The contact's info follows, he is aware he may be contacted, and he will prioritize a call from PG&E: Alan Phang, phone: 909-[REDACTED], email: alan@mowbrays.com.

I understand that both Kamran Rasheed and David Greenberg at PG&E are very familiar with the Mowbray's relationship and may be helpful to PG&E in assessing the situation. For your ease of reference and to facilitate the ability of PG&E to run this matter down quickly, I've included contact information for both of them below:

-K [REDACTED] R [REDACTED], phone: 831-[REDACTED], email: kxri@pge.com

-D [REDACTED] G [REDACTED], phone: 415-[REDACTED], email: dngw@pge.com

To help guide PG&E in its evaluation of this situation, I offer the following summary of Mowbray's background and the crucial services it provides to PG&E:

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crews before the bankruptcy and they never stood down in the weeks before the filing, even though the noise of a bankruptcy filing grew louder and louder, and Mowbray's financial situation continued to deteriorate. Mowbray's recognized the critical import of its work and soldiered on. We did this because our friends at PG&E asked us to stick with them as a partner, and we did. We also knew lives would be at stake if we did not step up.

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We hope PG&E takes a moment to follow up (both internally and with Mowbray's) with the individuals identified above. We would very much like to see a reorganized and vibrant PG&E emerge from the current process. Mowbray's continuing role in safety and compliance on PG&E assets will be a part of that, but to ensure Mowbray's is there at the end of the day for PG&E, we need PG&E to be here now for Mowbray's.

We look forward to your response and stand ready to answer any questions or provide additional information.

Ori

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EXHIBIT C

**TO DECLARATION OF ORI KATZ IN SUPPORT OF
MOTION FOR LEAVE TO FILE AMENDED PROOF OF
CLAIM BY THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.; MEMORANDUM OF POINTS AND
AUTHORITIES**

From: Tobias Keller
To: Ori Katz
Cc: Lorenzo Denise
Subject: PG&E/Mowbray
Date: Tuesday, September 10, 2019 3:15:34 PM

Ori:

Here's what I've learned:

G S (PGE), VP of Sourcing, has been in contact with F K, head of Vegetation, and they are currently reaching out to Mowbray to discuss invoicing issues and payment of post-petition invoices.

D H (PGE) Contract Management has a 3:00PM call today with Ronnie Jordan to discuss the following:

Pre / Post Petition	# Invoices	Amount	Issue	ACTION
Pre	33	\$400,114	Not in VM system: These were overwritten in the VM system by Mowbray s	Mowbray s to re-enter in VM system
Pre	74	\$625,508	Currently PENDING in VM system (1/1/18-1/29/19)	Validation in progress
Post	114	\$2,912,564	These were overwritten in the VM system by Mowbray s	Mowbray s is re-enter in VM system
Post	183	\$2,171,312	Mowbray s has only supplied their internal invoice #; they state these are work performed on Work Requests	Mowbray s to provide the corresponding work request # to verify work
Post	307	\$3,717,805	Currently PENDING in VM system (1/30/19-8/31/19)	Validation in progress with Mowbray s
Post	14	\$461,364	These were VOIDED by Mowbray s in VM system	Mowbray s to re-enter in VM system
Post	0	\$0	Work performed 9/1/19 - current	Mowbray s to enter in VM system
TOTAL	725	\$10,288,667		

It's on radars internally. I understand that senior leadership will also be following up with Mr. Jordan soon.

I don't think I'm doing anything to escalate its importance – they were on it before I reached out – but happy to continue to run interference.

Tobias S. Keller, Esq.
Direct: (415) [REDACTED]
Email: tkeller@kellerbenvenuti.com

From: Ori Katz <OKatz@sheppardmullin.com>
Sent: Tuesday, September 10, 2019 10:31 AM
To: Tobias Keller <tkeller@kellerbenvenuti.com>
Subject: FW:

Toby,

Looks like we still have a pretty serious issue here and I'm concerned about it. Anyway to get this request to the top of the stack?

Ori

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From: Ronnie Jordan <rjordan@mowbrays.com>
Sent: Tuesday, September 10, 2019 10:19 AM
To: Greenberg, David <DNGw@pge.com>; Wong, Elsa <EYW3@pge.com>; 'Hunter, Debbie' <D4Hm@pge.com>; Coleman, Steven <STC2@pge.com>; 'Heberlein, Shaun' <S1H2@pge.com>; Singh, Sumeet <S1St@pge.com>; 'jcw@pge.com' <jcw@pge.com>; 'tdhc@pge.com' <tdhc@pge.com>
Cc: 'smfg@pge.com' <smfg@pge.com>; 'pxkz@pge.com' <pxkz@pge.com>; 'e2sh@pge.com' <e2sh@pge.com>

Subject:

Please Help!!!!

PGE now owes us **\$14,388,547.53**

Efforts to get us paid have failed to reduce our risk of losing our company. The AR is still growing.

We have billed \$2 million more than the new payment committee has paid us.

Thanks so much for the \$4 million payment. It went to our lenders. We are still borrowing to operate.

We pay all our subs the week after they invoice us. Why? To keep them working and not LEAVE.

We are adding crews and subs daily and have done so even in January when we knew the bankruptcy was coming.

We have tripled our invoicing staff to resend and resend invoices over and over every time someone new takes over.

This sounds like a broken record. **I'm Sorry to have to beg. I don't know what else to say.**

Thanks Always.

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